

21 Jan 2021

Dear IPART, NSW

As a ratepayer I have received letter advice from Central Coast Council - (provokingly entitled "Securing your future"- wherein it proposes a 15% permanent increase in council rates.

I oppose any increase in rates. I submit the following strong reasons against the Council proposal.

I believe that few business organizations of any kind would be lucky enough to have the guaranteed annual operational funds that Councils enjoy via regular predictable income through rates. In contrast the current financial shortage by Council would indicate a failure to budget or correctly use the funds available to provide its ratepayer services. **This is manifestly mismanagement, and dereliction of responsibilities.** Given the professed financial state of Council, one presumes there have been prior audits to timely identify corrective procedures, but is left to wonder at their effectiveness.

In the subject letter, Council claims to "*having been open with us in sharing the reality of its financial situation*". Whilst this would be nothing more than what is expected, I personally have seen no detailed account of apparent financial predicament. Further, as part-rationale for the rate increase proposal presented by Council in its same letter -viz: having "*a legal obligation to reimburse restricted funds that were unlawfully accessed*", the assumption of mismanagement is seemingly confirmed by illegality. A possible recourse to litigation by Council is only suggested.

I understand that Councils can apply to IPART to increase their general income above the rate peg which has been set at 2.0% for 2021-22. The proposal for a special rate increase by 15% - (or even by 10% indicated as the second favoured option suggested by Council)- are both outrageous in the circumstances of self-inflicted requirement. It also ignores the recent history of rate increases above Local Government rate peg guidelines (which supposedly are part of long term financial planning up to present time), and approves rises based on spurious grounds e.g parity between the Gosford & Wyong former Councils)). Importantly, it disregards the capacity and willingness for ratepayers to continually dig the Council out of a financial hole of their own making.

'Average' increases and Averages-in-general can often be misleading. In my own case prior to formation of the amalgamated Central Coast Council, in just 2014, rates were increased by 6.9% - a factor itself far above the nominated statutory rate peg of 3%. The Council had applied for an increase >9.5%. The 6.9% approved hike for every year was averaged by the Council over the council area, and translated to a higher increase in my location. Rates have increased in subsequent years. The current application is for an even larger increase at a time of even greater hardship, through Covid and other events, for many in the community. It is pointless having Local Government Guidelines if they can be circumvented every time by local councils on application. It is no wonder the Council denies its clear responsibility for being in debt.

Please, do not permit continuation of the ambit claims for rate increases now proposed by Council. Increases occur to the marked detriment of ordinary ratepayers who rarely see any return in their local area for their existing contributions. Please, please, hold Council responsible to live within its means, and, as it appears is necessary, to budget an amount in order to **gradually** make-up the current backlog created by their misuse and mismanagement.

Sincerely

